



AOT in Action

TOURISM WORKS FOR ARIZONA!

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from the Director:

Good morning.

The early bird always gets the worm – or in this case – a great price on the premier event in our industry!

If you are joining us at the 28th Governor's Conference on Tourism at the Westin La Paloma Resort & Spa in Tucson from July 9-11, 2008, you have until this **Friday, June 20, 2008**, to register and qualify for the early bird registration fee of \$350 for the full conference and STAR Gala.

We have an action-packed agenda filled with wonderful speakers who are eager to present the latest information in travel and tourism, including Dr. Suzanne Cook, Senior Vice President for the Travel Industry Association of America (TIA). Dr. Cook will provide fresh insight into industry trends, economic travel forecasts and best practice studies. In addition, Dr. Cook will moderate a session about China's emerging travel market.

To register for the 2008 Governor's Conference on Tourism, [click here](#).

See you in Tucson!

Have a great week.

Margie A. Emmert

Margie A. Emmermann
Director
Arizona Office of Tourism

AOT News Flash

Save the Date: The 28th Annual Arizona Governor's Conference on Tourism

This year's 28th Annual Arizona Governor's Conference on Tourism is July 9-11 at the Westin La Paloma Resort & Spa in Tucson. The program will be a dynamic mix of fresh industry information and resources that can help you plan for another year of marketing Arizona to audiences around the world. Breakout sessions and speakers will teach you how to take tourism marketing and promotion to a new level. With so many exciting opportunities happening nationally, the Arizona Office of Tourism and its association partners are committed to bringing you the most up-to-date tools available for tourism professionals. For more information and to register for the event, please visit www.aztourismconference.com.

Sponsorship Opportunities for Travel Classics West – October 2008

The Arizona Office of Tourism and the Scottsdale Convention & Visitors Bureau will host the fourth annual Travel Classics West conference at The Boulders Resort & Golden Door Spa October 23-26.

This conference combines the nation's top editors and pre-screened professional freelance writers for presentations, workshops and one-one-one consultation meetings.

Some of the editors confirmed for this year's conference include: *Diversion*; *Gourmet*; *Plenty*; *Endless Vacation*; *Culture + Travel*; ForbesTraveler.com; and Travel + Leisure Online.

Sponsorship opportunities are still available. Contact Maren Rudolph at 914-591-4503 for more information. For more information on the conference, visit <http://www.travelclassics.com/conferences/2008/west/index.shtml>.

Trippin' with AOT

Arizona Well Featured by International Tour Operators

The Arizona Office of Tourism targets international travelers from the United Kingdom, Canada, Mexico, Japan and Germany (including German-speaking Austria and Switzerland) and has in-market representatives in all countries. Every year the international representatives complete an inventory of all tour operators in their market who offer product in Arizona.

- Arizona is heavily featured in the German speaking market and the current product inventory shows an increase of 12 percent, with 98 tour operators offering the destination. This is an increase from 87 in 2007. Thirty-two percent of the operators featuring Arizona are online operators.
- The number of UK operators offering Arizona product increased by four percent from 101 in 2007 to 105 in 2008. Of this total, 25 are online operators.
- The continuation of direct non-stop air service from Mexico City to Phoenix has had a positive effect on Arizona's coverage in the Mexican market, with an additional six tour

operators offering the destination in 2008, bringing the total to 28, an increase of eight operators since 2006.

- France continues to be a growing market for Arizona. Although AOT does not yet have permanent representation in this important European market, our continued marketing efforts and annual sales mission has had a positive effect, with a total of 74 operators featuring Arizona, which is a six percent increase on 2007. Of this total nine are online operators. The total number of operators featuring Arizona has increased by 15 percent from 64 in 2006 to 74 in 2008.
- For the second year the Japanese product inventory will include both the written data and then scanned brochure pages.

The above product inventories are currently available for \$75 each. For more information please contact Loretta Belonio at 602-364-3725 or via e-mail at lbelonio@azot.gov.

Industry News

Travel Promotion Bill Creates Turbulence

Airlines are battling hotels, theme parks, rental-car companies and other travel businesses over a plan to make overseas visitors pay \$10 each to bankroll a national advertising campaign. The dispute is over the Travel Promotion Act, a bill the tourism industry is pushing in Congress that would create a \$200 million-a-year marketing campaign aimed at persuading more travelers to visit--and spend money in--the United States. Half the money would come from the \$10 fee, which would be imposed on travelers living in countries where they do not have to obtain a visa to enter the U.S. But the idea has sparked sharp criticism from the airline industry. Airlines say the \$10 charge would amount to a tax on air travel.

And though the airlines--like other travel companies--would benefit from publicly subsidized advertising that lures more free-spending tourists to this country, "we feel strongly that promotion should not be done at the expense of passengers," said Elizabeth Merida, a spokeswoman for the Air Transport Association. Tourism leaders--led by Jay Rasulo, chairman of the Walt Disney Co.'s parks and resorts division--say the federal government has good reason to help pay for overseas marketing. They also accuse the airlines of being shortsighted in opposing a plan they say would generate more airline passengers. The Travel Promotion Act, described as the tourism industry's holy grail, is the top priority in Congress of the Travel Industry Association. (www.OrlandoSentinel.com/Business)

TIA Lauds Congressional Panel for Action on Entry System

The Travel Industry Association Wednesday applauded the House appropriations subcommittee on Homeland Security for providing an additional \$29 million to the Department of Homeland Security to improve passenger processing at U.S. international airports and land border crossings. TIA said that with the addition of 734 new Customs and Border Protection officers, on top of the 289 requested by President Bush, the committee made significant progress in closing a staffing shortage estimated to be in the thousands. The committee also provided \$10 million to expand the new Global Entry program to the top 20 international inbound airports. Global Entry will expedite the screening and processing of pre-approved, low-risk travelers entering the U.S. (*Special to TA*)

U.S. Enhances Travel Data Collection

The Office of Travel and Tourism Industries in the Commerce Department on Wednesday announced what it is calling an "innovative approach" for enhancing travel data collection. The

Survey of International Air Travelers program will begin to implement a new electronic survey data collection method, OTTI said. The survey program will be available to all the major booking engines and airline reservations systems. Based on a successful "e-pilot" study, OTTI and its vendor, CIC Research of San Diego, will implement the new system in phases. The first phase will focus on the distribution and collection of the England-language version of the questionnaire, targeting surveys for 2008.

Presentation on the improvements to the survey methodology will be made at the Travel & Tourism Research Association annual conference June 15-18 in Philadelphia. Details at 202-482-4753. (*Special to TA*)

TIA to Host Air Travel Summit

On Tuesday, June 17, TIA will gather industry leaders to discuss the systemic and solvable issues in the air travel process and identify the common ground between aviation and the broader travel community. This summit is in direct response to the groundbreaking survey commissioned by TIA that found frustration with the air travel system is growing and that this frustration is highest among those who fly the most. To learn more about the survey, [click here](#) for the press release, [click here](#) for a one-page summary and [click here](#) for the detailed survey results.

Record Gas Prices to Change Summer Travel Not Cancel It

AAA announced that ever-escalating gas prices are getting travelers' attention, but that Americans are expected to take more than 327 million leisure trips this summer, down only slightly from a year ago. According to a new survey, the Travel Industry Association said this summer's projected decline in travel, expected to range from 1 to 1.5 percent lower than a year ago, points to a relatively soft summer travel season. AAA-Idaho says that's not surprising given the current economic environment, including gas prices that are 75 cents higher than the record prices of a year ago. But that same survey suggests Americans are unwilling to forego vacations altogether, even if it means paying substantially higher gas prices. "No one should underestimate the resiliency of travelers when their personal vacations are on the line," said AAA-Idaho spokesman Dave Carlson. Record gas prices and high food costs may cause many travelers to modify their travel plans, he said. "Just don't ask them to cancel a much needed vacation." (*by David Wilkening, TravelMole e-Newsletter*)

Hotel Room Rates Remain Steady

The faltering US economy and gas prices are affecting hotel demand, but what has been the impact on room rates? So far, not much. For every 10 percent increase in gas prices, there is a correlating 0.5 percent decline in hotel demand, said Bjorn Hanson, a hospitality and leisure researcher for PricewaterhouseCoopers. But the decrease in demand is not expected to slow room rate growth any time soon, said Mark V. Lomanno, president of Smith Travel Research, Hendersonville, Tenn. He pointed out that despite the reduced availability of credit, and given the economic environment, the fact that hotel room rates have not declined is encouraging for the hotel industry. Lomanno said he doesn't expect negative growth in RevPAR--revenue per available room--the industry metric that examines room revenue in a hotel property divided by the number of rooms available. Still another piece of good news for the hotel industry is that while supply is growing, it is growing at the "low end of historical norms," Lomanno said. Weekday occupancy is providing more revenue for hotels—a new trend, he said. At the end of April, weekday business accounted for more than \$24 billion in hotel revenue, up from more than \$23 billion for last year. (*By David Wilkening, TravelMole e-Newsletter*)

United, US Air Add Baggage Fees

Baggage fees are fast becoming an unavoidable part of U.S. flying--three large carriers now charge \$15 for a first checked bag. United Airlines announced its new fee on Thursday, three weeks after American Airlines set the precedent for the charge. Later in the day, US Airways followed suit. Most U.S. carriers already have instituted a \$25 charge for checking a second bag--part of a host of new fees that reflect a struggling airline industry that is passing along record fuel prices to passengers in the form of higher fees, fuel surcharges and service charges. As of July 1, Southwest Airlines will be the only U.S. carrier that permits two checked bags for free, according to air travel expert Tom Parsons. He expects the legacy carriers to follow the lead of discount carrier Spirit Airlines, which now charges extra for seat reservations--\$5 for middle seats, \$10 for window and aisle seats, and \$15 for exit-row seats.

United said its baggage fee goes into place with customers who buy tickets beginning today for domestic flights Aug. 18 or later. It does not apply to those flying in first or business class or those who have premier status with United or Star Alliance. (AP; www.AtlantaJournal-Constitution.com/Business; Pages C1, New York Times; 1B, USA Today; B3, Wall Street Journal; www.ChicagoTribune.com/Business)

Starting Aug. 1, US Airways will add nonalcoholic beverages to the growing list of amenities not included in a flight's base fare. Water, soda and juices will set passengers back \$2. The cost of alcoholic beverages will increase from \$5 to \$7. US Airways also said it would cut domestic flights, shrink the size of its fleet, slash 1,700 jobs and charge passengers for their first checked bag. The airline plans to cut domestic mainline capacity 6% to 8% in the fourth quarter. It also is returning 10 planes, canceling leases on two more and planning to park more through 2010. (Page D2, Washington Post; www.AtlantaJournal-Constitution.com/Business; AP)

Local Resort Offers Reimbursement for Airline Luggage Fees

Not feeling the love for your luggage? With new airline fees being added to already weary travelers, the Sheraton Wild Horse Pass Resort & Spa wants to renew the fun and faith in the travel experience by reimbursing imposed checked luggage and in-flight beverage fees with the new "Love Your Luggage" package. Several airlines recently announced plans to charge customers for services that have historically been included in the ticket price such as checked luggage, in-flight beverages, meals and even peanuts! Simultaneously, a new Landmark Survey reveals "deep frustration" among air travelers and reveals that 41 million trips were avoided because of this sentiment, costing the economy more than \$26.5 billion.

Guests of the Sheraton Wild Horse Pass Resort & Spa are encouraged to simply show proof of a luggage charge and will be reimbursed \$25 per person, up to \$50 per guestroom. This small gesture on behalf of the Resort is meant to relieve any stress or economic pressures from the new airline policies and to reassure guests that their business is valued and appreciated.

Offered from \$169, the "Love Your Luggage" package includes one night in a traditional guestroom and a \$25 per person credit with the proof of an airline luggage charge, \$50 max per guestroom. Package valid through December 31, 2008, is exclusive of tax and gratuity and requires the **LUGGAGE** promotional code upon booking. For reservations or more information, call: 602-225-0100 or visit www.WildHorsePassResort.com.

Vacations Are Good for You, Medically Speaking

Gas prices are going up, the economy is going down, and it seems hard to justify a vacation when many of us are glad just to have jobs. But now, more than ever, we need to take a break — a real break, not just a long weekend — from our stressed-out lives. But, it turns out, even before the downturn, a lot of Americans were working through their vacation time, taking fewer and shorter

holidays. A global study by Expedia.com found that about a third of employed Americans usually do not take all the vacation days that they are entitled to, leaving an average of three days on the table. This is not so unusual.

About a quarter of the workers in Britain do not take all their vacation time, and in France a little less. The only difference is that the British get an average of 26 days of vacation and the French about 37 — compared with our 14 days, Expedia.com said. According to John de Graaf, executive director of Take Back Your Time, a nonprofit organization that studies issues related to overwork, 137 countries mandate paid vacation time. The United States is the only industrialized country that doesn't.

Here are some more depressing figures: The Bureau of Labor Statistics reports that about a quarter of all workers in the private sector do not receive paid vacation. And the Conference Board, a private research group, said the number of Americans who said in April that they were going to take a vacation in the next six months is at a 30-year low, according to their regular consumer survey. Only 39 percent of those responding said they would go away on holiday over the next half year. That is the lowest figure since 1978 and reflects a general decline since 2000, when, in April of that year, 49 percent said they were planning a getaway in the next six months.

Well, vacations are not simply a luxury. There is increasing evidence that they really are necessary for good health.

Using information from the Framingham Heart Study, which started in 1948, researchers looked at questionnaires women in the study had filled out over 20 years about how often they took vacations. Those women who took a vacation once every six years or less were almost eight times more likely to develop coronary heart disease or have a heart attack than those who took at least two vacations a year, said Elaine Eaker, a co-author of the study and president of Eaker Epidemiology Enterprises, a private research company.

The study, published in 1992, was controlled for other factors like obesity, diabetes, smoking and income, Ms. Eaker said, and the findings have been substantiated in follow-up research. "It shows how the body reacts to a lifestyle of stress," she said. "This is real evidence that vacations are important to your physical health."

Another study, published in 2000, looked at 12,000 men over nine years who were at high risk for coronary heart disease. Those who failed to take annual vacations had a 21 percent higher risk of death from all causes and were 32 percent more likely to die of a heart attack.

(To read the entire article by Alina Tugend, visit <http://www.nytimes.com/2008/06/07/business/yourmoney/07shortcuts.html>, The New York Times)